

GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT

Andhra Pradesh Backward Classes Co-operative Finance Corporation Limited, Hyderabad – Restructured Financial Assistance Scheme to be implemented from 2008-09 by A.P.Washermen Co.op. Societies Federation Limited, Hyderabad / A.P. Nayee Brahmin Co-operative Societies Federation Limited, Hyderabad / A.P. Vaddera Co-operative Societies Federation Limited, Hyderabad – Guidelines – Issued.

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BACKWARD CLASSES WELFARE (B1) DEPARTMENT

G.O.Ms.No.57.

Dated the 6<sup>th</sup> of October, 2008.

Read the following:-

1. G.O.Ms.No.27, Social Welfare (P) Department, Dt.18.2.1982.
2. G.O.Ms.No.177, Social Welfare (P2) Deptt., Dt.4.8.1989.
3. G.O.Ms.No.14, B.C.Welfare (B1) Deptt., Dt.8.12.2006.
4. Minutes of the review meeting held by the Hon'ble C.M. on 21.6.2008.
5. Minutes of the review meeting held by Hon'ble C.M. on.7.8.2008
6. From the VC&MD., APBCCFC Ltd., Hyd., Lr.No.156/ A1/2008, Dt.12.8.2008 & 20.8.2008.

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ORDER:

In the references 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> read above, Government have constituted the Andhra Pradesh Washermen Co-operative Societies Federation Limited, the A.P.Nayee Brahmin Co.op. Societies Federation and A.P.Vaddera Co.op. Societies Federations, respectively with a similar objectives to implementing Economic Support Schemes to enhance the income levels of the people of respective communities.

2. Accordingly, the above (3) Federations have been implementing the scheme called Medium Term Loan, under which an amount of Rs.2,500/- was given as loan to each member of the primary societies which are affiliated to the Federations. The amount is recoverable in 36 monthly installments with an interest of 6% per annum.

3. In the reference 4<sup>th</sup> and 5<sup>th</sup> read above, Government have reviewed the functioning of these Federations in the backdrop of the financial assistance being provided by the federations to the community people and felt that the quantum of assistance is very meagre. This will not serve the purpose for which the loan is being sanctioned. In order to realize the objective of the scheme and to create the needed impact of the assistance among the community people, there is need to enhance the quantum of assistance being provided. The financial assistance from the federation needs to be linked to bank credit. Further, it was decided that the quantum of assistance per member shall be enhanced from the existing Rs.2,500/- to atleast Rs.5,000/- and it shall be converted from the existing loan component to subsidy component from the federation, so as to extend financial assistance from the Corporation/Federation only by way of subsidy and not by way of loans.

4. In the reference 6<sup>th</sup> read above, the Vice Chairman & Managing Director, A.P.Backward Classes Co-operative Finance Corporation Limited, Hyderabad has submitted proposals accordingly.

(p.t.o.)

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5. Government after careful examination of the proposal furnished by the V.C.& Managing Director, A.P. Backward Classes Co.op. Finance Corporation Ltd., Hyderabad, hereby enhance the quantum of financial assistance being given to each member of primary societies of Washermen Co.op. Societies Federation, Nayee Brahmin Co.op. Societies Federation and Vaddera Co.op. Societies Federation from Rs.2,500/- to Rs.5,000/- and restructure the financial assistance scheme, which shall be implemented by Washermen Co.op. Societies Federation, Nayee Brahmin Co.op. Societies Federation and Vaddera Co.op. Societies Federation from the year 2008-09 on the modality of SHG formation with the following funding pattern, subject to meeting the expenditure within the Budget Estimates provision 2008-2009:-

Unit cost (for 15 Member Group) :: Rs.1.50 lakh  
Subsidy of 50%. (i.e. Rs.75,000 ) @ Rs.5,000/- per member)  
Beneficiary contribution 10%, i.e., Rs.15,000/-  
40% of unit cost as bank loan, i.e., Rs.60,000/-  
Total .. ..Rs.1,50,000/-

6. The benefit of Pavala Vaddi Scheme as applicable to self help groups shall also be extended to the beneficiaries under this scheme.

7. The guidelines for implementation of restructured financial assistance to B.C. Occupational Groups Scheme for the year 2008-09 are appended to this order.

8. The V.C.& Managing Director, A.P. Backward Classes Co.op. Finance Corporation Ltd., Hyderabad shall take necessary action, accordingly.

9. This order issues with the concurrence of Finance (Expr.SW) Department, vide their U.O.No.26404/329/ESW/A2/08, Dt.11.9.2008.

( BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH )

T. SATYANARAYANA RAO  
SECRETARY TO GOVERNMENT.

To

The V.C.& Managing Director, A.P. Backward Classes Co.op. Finance Corporation Ltd., Hyderabad.

The Managing Director, A.P.Washermen Co.op. Societies Federation Limited, Hyderabad.

The Managing Director, A.P.Nayee Brahmin Co.op. Societies Federation Limited, Hyderabad.

The Managing Director, A.P.Vaddera Co.op. Societies Federation Limited, Hyderabad.

Copy to:

The Director, B.C.Welfare, A.P., Hyderabad.

The Finance (Expr.SW) Deptt.

The File/SF/SCs.

// FORWARDED :: BY ORDER //

SECTION OFFICER

ANNEXURE TO G.O.Ms.No.57, BACKWARD CLASSES WELFARE (B1)  
DEPARTMENT, DATED:06-10-2008.

**I) The Target group/Beneficiaries:**

1. The Financial assistance under this scheme shall be sanctioned only to the members of the Federation, i.e., the Societies, which are affiliated to the Federation.
2. The Societies shall be registered under the provisions of APCS Act 1964. Each Society shall not have more than 15 members.
3. The existing Societies which are affiliated to Federation and which have more than 15 members shall be reorganized/divided as per the provisions of Section 12 of APCS Act, restricting the Number of members to 15.
4. The financial assistance is sanctioned and released to the Societies after their affiliation and depositing, beneficiary contribution in the Society's bank account.

**II) The proposal for financial assistance:**

1. The proposal for sanction of financial assistance shall be sent by the Executive Director, District B.C. Service Co.op. Society, after ensuring the deposit of beneficiary contribution by the Society.
2. The respective Federations will release funds to the Executive Directors of the District B.C. Societies. The Executive Director, B.C. Corporation shall take action for completion of documentation for the subsidy portion to each eligible Primary Society.

**III) Utilization of Financial Assistance:**

The Societies are free to take up either group activity or individual activity by utilizing the money released to them.

The money shall be distributed among the members equally so that all of them get equal benefit of subsidy.

1. The Economic activity of the members need not be related to their traditional occupation.
2. The individual members in a society may take up different activities of their choice.
3. The Society as an institution is responsible for repayment of the loan portion received from the bank.

**IV) Economic activities / Self employment units:**

1. Laundry / Modern laundry.
2. Dry cleaning shops.
3. Hair dressing saloons/Modern Saloons.
4. Band sets.
5. Beauty parlours.
6. Tractor cum Compressor.
7. Concrete mix with lift.
8. Petty trades like, Vegetable vending, Fruit selling, Kirana shops, Tea bunks, Stationery shop / General Stores, Milch Cattle, tailoring, etc.

( The above list of activities are only indicative and not exhaustive).

T. SATYANARAYANA RAO  
SECRETARY TO GOVERNMENT.

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